the top 100 borrowers of a bank into different rating categories, used the resultant rating distribution and their default probability statistics to estimate the weak assets in non Priority Sector's loans portfolios. FITCH have reckoned assets which are "performing assets" as per the RBI guidelines as deemed non performing and added these to the reported NPAs.

(c) Reserve Bank of India (RBI) has a mechanism in place to assess the extent of NPAs of individual Banks. RBI's assessment is aimed to ensure that the banks have correctly classified the loans assets and provisioning is done as per the prudential norms prescribed by it. Any discrepancy observed in this regard or omission of any NPA is brought out in the Annual Financial Inspection (AFI) report. Banks submit the position regarding the level of NPAs in their off-site returns to RBI. the movement of NPAs is also reflected in the Annual Report as a disclosure in the Notes on Accounts to the balance sheets.

Repayment of bilateral debt

209. SHRIMATI N.P. DURGA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government are thinking of repaying a part of the bilateral debt of about Rs. 7,500 crores;

(b) if so, the details of the countries to which Indian Government propose to repay their debt; and

(c) the total debt outstanding against these countries, country-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) and (c) India's outstanding bilateral debt in respect of the following countries is proposed to be pre-paid:—

Sl.No.	Country	Amount (in Rs. crores)
1	2	3
1.	Austria	144.52
2.	Australia	26.01
3.	Belgium	167.18

1	2	3
4.	Canada	1485.70
5.	Rep. of Czech and Slovak	4.28
6.	Denmark	404.12
7.	Spain	121.08
8.	Russian Federation	1967.89
9.	Italy	464.24
10.	Netherlands	2139.51
11.	Switzerland	32.45
12.	Sweden	426.10
13.	Saudi Arabia	34.00*
14.	Kuwait	135.00*

(Note: *These two debts were repaid in June, 2003).

RBI's advice on reduction in subsidies

210. SHRIMATI N.P. DURGA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the RBI has advised Government to cut subsidies in sectors like power, Railways, water, etc; and to increase infrastructure investment;

(b) is so, the details thereof; and

(c) what action Government have taken on the advice?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) In their Annual Report for 2001-02, RBI has reported that "Capital expenditure which adds to the productive capacity in the economy, is being progressively pre-empted by growth in revenue expenditures. Although explicit subsidies provided by the Central Government have declined, there is a wide range of hidden subsidies which need to be contained. Proper targeting of subsidies is needed to reduce leakages and misappropriation".

(c) Suggestions made by professional organizations and individuals are kept in view while formulating economic policies by the Government.